

Prices ARE down-buy now!

A day's work will buy as much today as it ever would.

This is the first of five pages designed to advertise the contrast between conditions a year ago and today. Prices were then at their peak and everybody was buying. The "buyers' strike" and a tremendous deflation followed as a natural result. Read what business leaders have to say about current prices. Today's statement is by D. F. Kelly, representative of the Chicago district on the board of directors of the National Retail Dry Goods Association.

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PRICES will never get back to "normal" if some period of low prices in the past is arbitrarily set as "normal." Prices are low as they would be if normal development had not been interrupted by the Great War.

Both prices and wages are higher than they were several years ago—but the balance is in favor of wages.

If you doubt this, consider the standard of living of the average man; consider the quality and variety of the comforts and conveniences and luxuries which he enjoys as the result of each day's work and compare them with what the man in the same position a generation ago would have been able to afford.

A day's work has purchased more during each decade notwithstanding advancing prices because a day's work produces more. The achievements of science, of engineering, of organization, of executive ability—in short, of brains—enable men to create more wealth with each day's work, and therefore to obtain more of the good things of life.

During and immediately following the war prices soared to ridiculous heights, and the usual balance was destroyed. But there has been a great drop in prices during the last twelve months—a drop so great that a panic has been avoided only because of our unparalleled inherent strength and a sound financial system. It is important that the public should appreciate how so-called war profits have been wiped out and prices have been forced down. One well known corporation, for instance, had

a surplus of \$30,600,000 on March 31, 1920.

That represented war profits. During the following fifteen months the great deflation not only wiped out this enormous surplus, but substituted a deficit of \$5,000,000. You are buying the products of this corporation in your retail stores at the new price level.

PRICES ARE DOWN. In some lines they MAY go a little lower—in many lines they WILL go higher. Therefore, buy NOW.

Prices after an uninterrupted decline for nine months have become stabilized and many of them have now begun to climb. Farmers are marketing their crops. Seasonal needs and holiday buying will tend to increase demand and reduce surplus stocks, thus creating shortages, which will force prices up. Even during the last three summer months Bradstreet's commodity index has shown a slight increase each month.

The charts and tabulations on this page show how greatly prices have declined.

The Tariff as a Price Factor

IN THE judgment of a great many merchants the American Valuation feature of the Fordney Tariff Bill will undoubtedly increase the retail price of many classes of merchandise. To illustrate, the following comparative list is given:

Commodity	Present Duty	Approximate New Duty
Table Linens	35%	50%
Handkerchiefs	35%	64%
Cotton Hosiery	80%	70%
Laces	60%	82%
Leather Gloves	Specific	37 1/2%
Silks	45%	60%
China ware	50%	77%

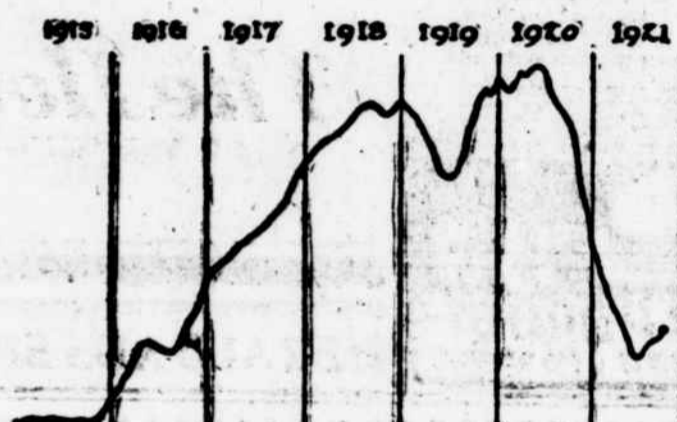
One of the most active influences in keeping the products of the American manufacturer at a reasonable price level is the possibility of foreign competition. Under the proposed American valuation plan, however, our manufacturers not only have legitimate protection, but can themselves regulate the duty upon imported goods by increasing their own prices, as the rate of duty is to be the "wholesale" selling price in the United States of similar goods.

Theorists claim that the proposed Permanent Tariff does not materially advance the cost of the goods, and some extremists would have you also believe that the tariff provides for lower rates of duty than the present Underwood and Emergency Tariffs.

From practical knowledge we are in a position to state to you that duty on women's gloves, such as mentioned above, will, under the proposed Permanent Tariff, be from 200 to 600 per cent more than the duty under the present tariff. Duty on cotton hosiery will likewise be advanced from 100 to 200 per cent. Duty on china will be from 70 to 125 per cent.

These are only a few examples to show you that the proposed Permanent Tariff provides for more than ample protection and advances the duty beyond all reason.

D. F. Kelly
Director National Retail
Dry Goods Association



The above curve shows the trend of wholesale commodity prices according to Bradstreet's index.



The above chart and the following table show the wages paid to building labor in Chicago—the figures for 1921 being those of the Landis record. Wages followed prices up and are now following prices down.

	1915	1916	1917	1918	1919	1920	1921
Bricklayers	4.00	4.00	4.00	7.00	10.00	10.00	10.00
Carpenters	3.00	3.00	3.00	4.00	5.00	5.00	5.00
Electricians	3.00	3.00	3.00	4.00	5.00	5.00	5.00
Painters	3.00	3.00	3.00	4.00	5.00	5.00	5.00
Plumbers	3.00	3.00	3.00	4.00	5.00	5.00	5.00
Roofers	3.00	3.00	3.00	4.00	5.00	5.00	5.00
Shoemen	3.00	3.00	3.00	4.00	5.00	5.00	5.00
Structural Iron Workers	3.00	3.00	3.00	4.00	5.00	5.00	5.00

The following figures were obtained by picking out actual merchandise in a Chicago department store Sept. 15, 1921, and comparing the current price with that of a year ago.

Commodity	1920 Price	1921 Price
4 lb. Butter	\$1.00	\$1.00
4 lb. Butter, butter	\$1.00	\$1.00
Butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00
Butter, butter	\$1.00	\$1.00

WASHINGTON HERALD advertising has also decreased in cost during the year. The rates have remained the same, although circulation during the last six months has averaged 16.1% more daily and 5.6% more Sunday than during the previous six months period. In other words, a certain amount of money invested in Washington Herald advertising today will buy far more than the same number of dollars would have bought six months ago.

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